

Message Text

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44

ACTION EUR-12

INFO OCT-01 ISO-00 SSO-00 NSCE-00 USIE-00 INRE-00 AGR-05

CEA-01 CIAE-00 COME-00 DODE-00 EB-07 FRB-03 H-02

INR-07 INT-05 L-02 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 STR-04 TAR-01 TRSE-00 PRS-01 SP-02

FEAE-00 OMB-01 /085 W
----- 115277

O R 261723Z MAR 75

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC IMMEDIATE 8553

INFO ALL EC CAPITALS 480

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PASS AGRICULTURE FOR SECRETARY BUTZ; TREASURY FOR MC DONALD

E.O. 11652: N/A

TAGS: EAGR, EEC, ETRD

SUBJECT: COUNTERVAILING DUTIES--EC CHEESE

REF: EC BRUSSELS 02674

1. THIS MESSAGE REPORTS THE TEXT OF THE DRAFT LETTER DESCRIBED IN REFTEL. THIS LETTER WAS HANDED TO YEUTTER AND AMBASSADOR GREENWALD AT A WORKING LUNCH MARCH 26 WITH SOAMES, LARDINOISE AND SENIR EC COMMISSION OFFICIALS. THE EFFECTIVE DATE TO BE INSERTED IN PARA (A) OF THE TEXT WILL BE ONE OR TWO DAYS FOLLOWING FINAL NOTIFICATION TO THE COMMISSION THAT WASHINGTON AGREES TO THE PROPOSED SETTLEMENT CONVEYED IN THE REFTEL. THIS DELAY IS REQUIRED FOR NECESSARY COMMISSION FORMALITIES AND PUBLICATION IN THE OFFICIAL JOURNAL OF THE SUBSIDY ADJUSTMENTS RESULTING FROM THE US-EC AGREEMENT.

2. AS A MATTER OF CLARIFICATION, THE COMMISSION SIDE CONFIRMS
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THAT THE INTENT OF PARA (B) OF THE TEXT IS TO MAINTAIN THE PRICE

GAP FOR ALL CUTS OF EMMENTHALER AND GRUYERE AS WELL AS FOR ALL QUALITIES.

3. YEUTTER SAID THAT THE TEXT APPEARED TO CONFORM TO THE REFTEL PROPOSAL BUT THAT HE STILL WOULD WISH TO SEEK QUICK WASHINGTON COMMENTS ON THE LANGUAGE TO BE GIVEN HIJZEN AND WIJN-MAALEN HOPEFULLY BY COB APRIL 27. REQUEST INSTRUCTIONS.

4. BEGIN TEXT:

DRAFT LETTER TO HIS EXCELLENCY THE HON. JOSEPH A. GREENWALD,
HEAD OF THE MISSION OF THE UNITED STATES TO THE EUROPEAN
COMMUNITIES, FROM MR. LARDINOIS

MY DEAR AMBASSADOR,

WITH REFERENCE TO OUR TALKS WITH MESSRS. YEUTTER, GOODMAN
AND ANDERSON OF THE UNITED STATES DEPARTMENT OF AGRICULTURE ON
25 AND 26 MARCH 1975 CONCERNING COMMUNITY CHEESE EXPORTS TO THE
UNITED STATES, THE FOLLOWING CONFIRMS THE INTENTION OF THE
EUROPEAN COMMISSION.

OUR INTENTION IS AS FOLLOWS:

(A) THE COMMUNITY'S EXPORT REFUNDS ON LOW-FAT CHEESES FOR
PROCESSING WILL BE SUSPENDED WITH EFFECT FROM
() 1975. THE SUSPENSION OF EXPORT REFUNDS
ON COLBY AND MONTEREY, EFFECTIVE FROM 24 MARCH 1975,
WILL BE MAINTAINED. EXPORT REFUNDS ON THESE CHEESE
WILL NOT BE REINTRODUCED WITHOUT PRIOR DISCUSSION WITH
THE US AUTHORITIES. THE COMMUNITY'S POLICY ON EXPORT
REFUNDS FOR OTHER CHEESES REMAINS UNCHANGED;

(B) IN REGARD TO COMMUNITY EMMENTHAL/GRUYERE EXPORTS, THE
COMMISSION WILL ENSURE BY ALL THE MEANS AT ITS DISPOSAL
THAT THIS CATEGORY OF CHEESE SHOULD ARRIVE ON THE US
MARKET AT A WHOLESALE PRICE AT LEAST 12 PERCENT HIGHER
THAN THAT OF THE SAME CATEGORY AND QUALITY OF US
DOMESTIC CHEESE. THE COMMISSION IS READY TO MONITOR
THIS PRICE-GAP JOINTLY WITH THE US AUTHORITIES.

THE COMMISSION IS TAKING THIS ACTION ON THE UNDERSTANDING THAT
NO OBJECTION IS RAISED TO THE COMMUNITY'S REMAINING EXPORT
REFUNDS ON CHEESES. THE COMMISSION CONSIDERS THAT, IN PRESENT
CONDITIONS AND GIVEN ITS INTENTION AT (A) AND (B) ABOVE, THERE
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IS NO RISK THAT ANY COMMUNITY CHEESE WILL UNDERCUT THE COMPARABLE
US PRODUCT. IF, HOWEVER, NEW PROBLEMS SHOULD ARISE, WHETHER FOR THE
COMMUNITY OR FOR THE UNITED STATES, EITHER SIDE WOULD BE FREE
TO CONSULT THE OTHER WITH A VIEW OT APPROPRIATE ACTION.

THE COMMISSION ALSO LOOKS TO THE UNITED STATES ADMINISTRATION
TO TAKE WHATEVER STEPS MAY BE NECESSARY AND FEASIBLE TO ENSURE
THAT COMMUNITY CHEESES ARE NOT PLACED AT AN UNFAIR DISADVANTAGE
VIS-A-VIS COMPETING FOREIGN CHEESES ON THE US MARKET AS A RESULT

OF THE VARIOUS MEASURES WHICH THE COMMUNITY HAS TAKEN.

YOURS SINCERELY

(P. LARDINOIS) END TEXT.

GREENWALD

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Message Attributes

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Draft Date: 26 MAR 1975
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Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
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Margaret P. Grafeld
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